

The Washington City Council met in a regular session on Monday, November 9, 2015 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Doug Mercer, Mayor Pro tem; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Bobby Roberson, Interim City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Mayor Hodges called the meeting to order and Councilman Brooks delivered the invocation.

**APPROVAL OF MINUTES:**

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council approved the minutes of October 19, 2015 as presented.

**PRESENTATION: COMMEMORATING THE SALE OF NCEMPA GENERATING ASSETS  
AND THE SECURING OF A LONG-TERM, RELIABLE POWER SUPPLY**



Mayor Pro tem Mercer and Mayor Hodges

**PRESENTATION: TERRELL RECIPIENTS PRESENTED WITH AWARDS**

Mr. Scott Campbell presented the Rena K. Terrell awards noting the award is a public trust honor designed to celebrate those active in historic preservation. Mrs. Rena K. Terrell, the award's namesake, was one of the area's most active historic preservation promoters. She was a founding member of the Historic Preservation Commission, a member of the Historic Preservation Foundation of North Carolina, the National Trust for Historic Preservation, and the City's official representative on the Board of Directors of the Historic Albemarle Tour. These awards are made in Rena's memory since she was devoted to preserving our historic resources and assets.

*2015 held three recognizing categories:*

**Commercial Property:** *Mary Anne Nunnally Foy, owner of the Coffee Caboose. Mary Anne restored the Coffee Caboose so that it intertwines with the past and present. Her involvement in the community has been an asset to the City of Washington.*

**Good Neighbor:** *Donald Stroud of the Potts-Bragaw House on East Second Street. Don is a longtime advocate of historic preservation, for many years serving as chairman of the Washington Historic Preservation Commission; for the past 12, he's been president of the Washington Area Historic Foundation. It's because of his efforts the City of Washington has named him the recipient of the historic district's "Good Neighbor" award.*

**Residential Property:** *Chuck and Jenna Davis on East Main Street. Chuck and Jenna purchased their home in 2013 and immediately got to work on its restoration. Thanks to Chuck and Jenna, another home in Washington will continue to carry on the city's legacy.*



Mayor Mac Hodges, Chuck and Jenna Davis, Mary Anne Nunnally Foy  
and Dee Congleton (accepting for Don Stroud)

**APPROVAL/AMENDMENTS TO AGENDA:**

Mayor Hodges reviewed the requested amendments to the agenda:

- **Add:** Under Closed Session – 143-318.11(a)(6) Personnel
- **Add:** Under Scheduled Public Appearances: Jeannie Neal,  
Interim Executive Director - Washington Housing Authority
- **Add:** Under Items from City Manager:  
C: PKF Market Study  
D. Washington Housing Authority Repayment Plan
- **Add:** Under Items from Mayor and City Council – Invitation for fundraising event at the Grace Martin Harwell Senior Center

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council approved the agenda as amended.

**CONSENT AGENDA:**

By motion of Councilman Pitt, seconded by Councilman Beeman, Council approved the Consent Agenda as presented.

- A. Adopt – Budget Ordinance Amendment for the purchase of the 415 West Second Street Property

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF  
WASHINGTON, N.C. FOR THE FISCAL YEAR 2015-2016**

**BE IT ORDAINED by the City Council of the City of Washington, North Carolina:**

Section 1. That the Estimated Revenues in the General Fund be increased for the purchase of 415 West 2<sup>nd</sup> Street:

|                 |                           |          |
|-----------------|---------------------------|----------|
| 10-00-3991-9910 | Fund Balance Appropriated | \$72,000 |
|-----------------|---------------------------|----------|

Section 2. That the General Fund appropriations budget be increased or decreased in the following account:

|                 |                  |          |
|-----------------|------------------|----------|
| 10-00-4400-7100 | Land Acquisition | \$72,000 |
|-----------------|------------------|----------|

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 9<sup>th</sup> day of November, 2015.

**ATTEST:**

**s/Cynthia S. Bennett**  
**City Clerk**

**s/Jay MacDonald Hodges**  
**Mayor**

- B. Approve – Purchase Order to purchase a Ford F650 Cab and Chassis from Piedmont Truck Center through State Contract and a dump truck body from Quality Truck Bodies

|                       |                    |
|-----------------------|--------------------|
| <u>Vendor</u>         | <u>Cost</u>        |
| Piedmont Truck Center | \$52,377.00        |
| Quality Truck Bodies  | <u>\$11,908.30</u> |
| Total                 | \$64,285.30        |

| <u>BID TABULATION</u> |                       |  |  |
|-----------------------|-----------------------|--|--|
| Bid for:              |                       | 2016 FORD CAB AND CHASSIS                                    |  |
| Opened:               |                       | October 25, 2015   |  |
| <hr/>                 |                       |  |  |
| <u>Item</u>           | <u>VENDOR</u>         | <u>Bid</u>   |  |
| 1                     | Feyer Ford            | no bid   |  |
| 2                     | Joe Pecheles          | no bid   |  |
| 3                     | Piedmont Truck Center | \$52,377.00  |  |
| <br>                  |                       |  |  |
| Recommendation:       |                       | The recommendation is to purchase from Piedmont Truck Center |  |
| <br>                  |                       |  |  |
| Signed:               |                       | Michael Whaley   |  |

By motion of Councilman Pitt, seconded by Councilman Beeman, Council approved the Consent Agenda as amended.

**COMMENTS FROM THE PUBLIC: NONE**

**SCHEDULED PUBLIC APPEARANCES:**

**JEANNIE NEAL, WASHINGTON HOUSING AUTHORITY**

Jeannie Neal introduced herself as the Interim Executive Director of the Washington Housing Authority. She has worked with WHA for 30+ years. She explained that the Washington Housing Authority is undergoing some changes at this time and the Mid-East Regional Housing Authority has decided to split from WHA.

**CORRESPONDENCE AND SPECIAL REPORTS:**

**MEMO – BUDGET TRANSFER – GENERAL FUND** *(accepted as presented – Matt Rauschenbach, C.F.O.)*

*(begin memo)* The Budget Officer transferred \$4,000 of funds between the City Manager, Planning, and Street Maintenance departments of the General Fund appropriations budget for stump grinding of trees removed in the Historic District.

NC GS 159-15 states that this shall be reported to the Council at its next regular meeting and be entered in the minutes. Transfer request is attached. *(end memo)*

|      | Department | Account<br>Number | Object<br>Classification | Amount  |
|------|------------|-------------------|--------------------------|---------|
| From | 10-00-4120 | 0200              | Salaries                 | \$2,000 |
|      | 10-10-4910 | 0200              | Salaries                 | \$2,000 |
| To:  | 10-20-4510 | 4500              | Contract Svcs.           | \$4,000 |

**REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES: NONE**

**APPOINTMENTS:**

**WATERFRONT DOCKS ADVISORY COMMITTEE**

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council appointed David Kew to the Waterfront Docks Advisory Committee to fill a vacant (inside) position, term to expire June 30, 2018.

**HUMAN RELATIONS COUNCIL**

By motion of Councilman Pitt, seconded by Councilman Brooks, Council appointed Patrick (Pat) Griffin to the Human Relations Council to fill the un-expired term of Susan Lundy, term to expire June 30, 2017.

**HISTORIC PRESERVATION COMMISSION**

Councilman Beeman requested to continue the Historic Preservation Commission appointment until November 23, 2015.

**OLD BUSINESS:**  
**ADOPT – COST-OF-SERVICE RECOMMENDATIONS AND OPTIONS –**  
**ELECTRIC UTILITY RATES**

BACKGROUND: A cost-of-service study recommends that Washington’s electric customers should have their over-all electric rates (per kilowatt hour) reduced by 5.64 percent, with residential customers receiving a 2.52 percent reduction. The study, presented by Terry Berge of Booth and Associates, will be used in determining rate changes, if any, to its customers in the next several years. The study also suggest increasing some fees, including facility charges, related to providing electric service.

**Comparison of Optional Changes by  
Rate Class**

| <u>Rate Class</u>       | <u>Justified<br/>Change</u> | <u>Option 1<br/>(Recommended)</u> | <u>Option 2</u> |
|-------------------------|-----------------------------|-----------------------------------|-----------------|
| Residential Service     | (0.98%)                     | (2.52%)                           | (5.64%)         |
| Small General Service   | (6.37%)                     | (6.35%)                           | (3.65%)         |
| Medium General Service  | (14.80%)                    | (14.00%)                          | (8.50%)         |
| Large General Service   | (8.87%)                     | (8.75%)                           | (5.09%)         |
| Industrial Service      | (4.95%)                     | (4.90%)                           | (2.84%)         |
| Coincident Peak Service | (22.93%)                    | (16.50%)                          | (13.16%)        |
| Lighting Service        | <u>(13.50%)</u>             | <u>0.00%</u>                      | <u>0.00%</u>    |
| Total                   | (5.64%)                     | (5.64%)                           | (5.64%)         |

Mayor Pro tem Mercer reviewed that Council authorized a 6% reduction in rates earlier this year for small general services, residential and churches. At that time, Council agreed that they would wait to implement additional reductions until the Cost of Service Study and the Load Management Study were completed. The Load Management Study has not yet been completed. He continued by reviewing highlights of the report presented by Booth and Associates. Rather than adopt either option 1 or option 2, he would recommend that the rates stay the same.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council unanimously voted to leave the Electric Utility Rates as they currently stand.

**DISCUSSION – BUG HOUSE PARK TENNIS COURTS**

Mayor Pro tem Mercer explained that several months ago at the Recreation Advisory Committee meeting, there was a proposal from a vendor that would recondition the existing courts at Bug House Park for \$11,000. At that meeting, one of the members of RAC suggested that the \$11,000 be spent to refurbish the existing courts and give the public the opportunity to use them. This would also give staff time to evaluate the extent to which the courts are used. Inquiry as to why this recommendation was not included in the presentation. Mayor Hodges mentioned that the courts at East Carolina University have the same problems. Councilman Beeman inquired if the \$11,000 proposal was still valid and Ms. Roberson was confident the bid was still valid. Councilman Beeman asked for a firm price for installation of tennis courts at the sports complex. Ms. Roberson explained that the \$100,000 estimate does not include lighting.

Kristi Roberson noted a contractor stated he could resurface the tennis courts at Bug House Park for \$11,000, but this temporary fix would not keep the courts safe and playable for very long. The most recent recommendation from RAC was to see what could be done with the current courts. Northstate Tennis Company told Ms. Roberson that the courts have a layer of asphalt over concrete. Inquiries were made to various agencies for estimates on repairing the existing courts and no one seemed to be interested in the project.

Mayor Pro tem Mercer noted that funding was not included in the current budget for repairing/replacing the tennis courts. Kristi Roberson explained that she is only providing information to Council in order to get direction for the upcoming budget year.

Councilman Pitt expressed interest in keeping the courts at the current location while Councilman Beeman favored construction of courts at the sports complex.

Councilman Brooks explained that it's time for Council to make a decision on the tennis courts, they've received plenty of information regarding options and costs. He suggested that Council authorize the cleanup and repair of Bug House Park.

By motion of Councilman Brooks, seconded by Mayor Pro tem Mercer, Council unanimously authorized spending approximately \$11,000 to refurbish the existing tennis courts at Bug House Park as well as authorized staff to clean up the Bug House Park area.

Staff will monitor the use of the tennis courts over the next 6-12 months and review this further during the upcoming budget workshops.

**PUBLIC HEARING – ZONING: 6:00PM NONE**

**PUBLIC HEARING: OTHER 6:00PM**

**AUTHORIZE – THE CLOSEOUT OF THE 2009 COMMUNITY DEVELOPMENT BLOCK GRANT-HOUSING DEVELOPMENT (NORTHGATE PROJECT) AND AUTHORIZE THE MAYOR TO EXECUTE THE CLOSEOUT PERFORMANCE REPORT**

Bobby Roberson, Interim City Manager explained that the public hearing for the closeout of this grant was advertised on October 29, 2015. Seven of the ten homes were completed and occupied prior to the September 30, 2015 expiration date of the grant. The City of Washington remitted \$55,716 to the Department of Commerce on October 27, 2015 for the non-performance of three homes. \$36,000 of property release deposits held in trust from the Washington Housing Authority/Washington Housing Nonprofit, Inc. partially funded the reimbursement and the remaining \$19,716 has been billed to those entities. Discussion was held regarding the remaining lots. Mr. Richards explained that DCA has given verbal approval for the disposition of the lots with no restrictions. Mayor Pro tem Mercer inquired if the lots were sold, could WHA use the sales proceeds to repay the debt? Mr. Richards will discuss this with the Department of Community Assistance.

Mr. Kevin Richards, Mid-East Commission provided the following information regarding CDBG-HD #09-C-2050 (Northgate).

- The \$227,700 Housing Development grant was awarded to the City on April 26, 2010.
- It ultimately required 10 homes to be built and eventually occupied by low to moderate income individuals.
- Seven of the ten homes met this objective. (5-Moderate & 2 Low)
- The grant funds were used to purchase 8 lots, provide housing counseling and for grant administration.
- \$185,718.62 in grant funds were requisitioned. The remaining \$41,981.38 was de-obligated by the funding agency.
- The City was required to repay the grant agency \$55,716 for non-performance. This represented \$18,572 for each of the three houses not completed and occupied by low to moderate income individuals.
- The State is requiring us to close out the grant.

Mayor Hodges opened the public hearing at this time. There being no comments from the public, Mayor Hodges closed the public hearing.

The City Attorney reminded Council that the City does have a Deed of Trust against the remaining two lots.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council authorized the closeout of the 2009 Community Development Block Grant – Housing Development Northgate Project and authorized the Mayor to execute the Closeout Performance Report.

**APPROVE/AUTHORIZE – THE PROPOSAL OF DEEP FRIED CREATIVE FOR DEVELOPMENT OF PHASE 1 OF WAYFINDING SIGNAGE PROGRAM AND AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR SUBJECT WORK AND APPROVE CORRESPONDING PURCHASE ORDER**

John Rodman, Community & Cultural Services explained that City Council approved in FY 2013-2014 Operating Budget to include \$150,000 to complete design, fabrication, and installation of a wayfinding system for the City of Washington. The Project will furnish and install 24 new wayfinding signs at various locations throughout the City. Pursuant to direction given by the City Council in October 2013, the wayfinding signs will feature designs, hardware, and color schemes pursuant to the City’s official style and branding guide. The 24 signs will complete Phase I of the City’s wayfinding program initiative. Additional phases will be considered for implementation at future dates when appropriate.

Finding Your Way

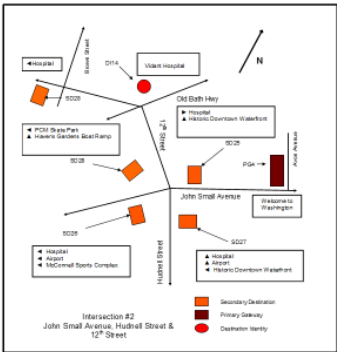


Washington Wayfinding

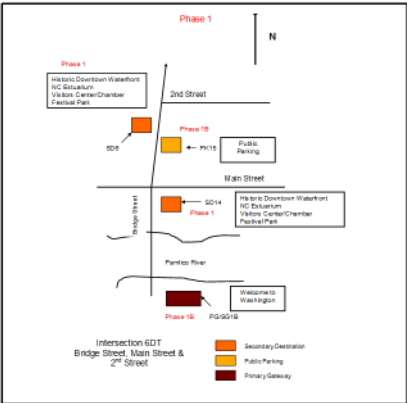
What have we done?

- 1. ✓ Establish a Steering Committee.
- 2. ✓ Determine goals and objectives.
- 3. ✓ Identify entranceways & gateways.
- 4. ✓ Determine destinations: What places do people need to find?
- 5. ✓ Identify routes: What are the paths that people need to take?
- 6. ✓ Locate Decision Points
- 7. ✓ Develop sign inventory.
- 8. ✓ Determine design concepts.
- 9. ✓ Public Participation.
- 10. ✓ Final Designs
- 11. ✓ Location Plan and Message Plan
- 12. \*Provide costs & draft plan.
- 13. Fabrication & Implementation
- 14. Final Plan

Intersection Signage



Intersection Signage



Total Signs

| Number of Signs (Total) |     |
|-------------------------|-----|
| Type of Sign            | No. |
| Secondary Destination   | 36  |
| Primary Destination     | 2   |
| Primary Gateway         | 4   |
| Secondary Gateway       | 3   |
| Parking (post)          | 8   |
| Parking (pole)          | 7   |
| Destination Identity    | 18  |
| Downtown Gateway        | 2   |
| Waterway Gateway        | 1   |
| Pedestrian Kiosk        | 3   |
| Total Signs             | 84  |

| Number of Signs (Phase 1) |     |
|---------------------------|-----|
| Type of Sign              | No. |
| Secondary Destination     | 25  |
| Primary Destination       | 1   |
| Primary Gateway           | 3   |
| Secondary Gateway         | 2   |
| Parking (post)            | 8   |
| Parking (pole)            | 7   |
| Destination Identity      | 3   |
| Total Signs               | 49  |

Total Signs

| Number of Signs (Phase 1A) |     |
|----------------------------|-----|
| Type of Sign               | No. |
| Secondary Destination      | 13  |
| Primary Destination        | 0   |
| Primary Gateway            | 3   |
| Secondary Gateway          | 2   |
| Parking (post)             | 8   |
| Parking (pole)             | 7   |
| Destination Identity       | 1   |
| Downtown Gateway           | 0   |
| Waterway Gateway           | 0   |
| Pedestrian Kiosk           | 0   |
| Total Signs                | 34  |

| Number of Signs (Phase 1B) |     |
|----------------------------|-----|
| Type of Sign               | No. |
| Secondary Destination      | 10  |
| Primary Destination        | 0   |
| Primary Gateway            | 0   |
| Secondary Gateway          | 0   |
| Parking (post)             | 7   |
| Parking (pole)             | 7   |
| Destination Identity       | 0   |
| Total Signs                | 24  |

Sign Fabrication and Installation Cost Estimates  
Phase 1 (Total Signs)

| Sign Type                  | Fabrication/Sign | Installation/Sign | Number of Signs | Total Costs           |
|----------------------------|------------------|-------------------|-----------------|-----------------------|
| Primary Gateway (PG)       | \$9,023          | \$1,364           | 3               | \$31,161              |
| Secondary Gateway (SG)     | \$6,496          | \$1,364           | 2               | \$15,720              |
| Secondary Destination (SD) | \$3,648          | \$1,364           | 25              | \$125,300             |
| Primary Destination (PD)   | \$3,648          | \$1,364           | 1               | \$5,012               |
| Parking Sign (PK) (Pole)   | \$2,191          | \$1,364           | 7               | \$24,885              |
| Parking Sign (PK) (Post)   | \$2,434          | \$1,364           | 8               | \$30,384              |
| Destination Identity (DI)  | \$6,496          | \$1,364           | 3               | \$23,580              |
|                            |                  |                   | Total Signs: 49 | Total Cost: \$256,042 |

Sign Fabrication and Installation Cost Estimates  
Phase 1A (Set Priorities)

| Sign Type                  | Fabrication/Sign | Installation/Sign | Number of Signs | Total Costs           |
|----------------------------|------------------|-------------------|-----------------|-----------------------|
| Primary Gateway (PG)       | \$9,023          | \$1,364           | 3               | \$31,161              |
| Secondary Gateway (SG)     | \$6,496          | \$1,364           | 2               | \$15,720              |
| Secondary Destination (SD) | \$3,648          | \$1,364           | 13              | \$65,156              |
| Primary Destination (PD)   | \$3,648          | \$1,364           | 0               | \$0                   |
| Parking Sign (PK) (Pole)   | \$2,191          | \$1,364           | 8               | \$30,384              |
| Parking Sign (PK) (Post)   | \$2,434          | \$1,364           | 7               | \$26,586              |
| Destination Identity (DI)  | \$6,496          | \$1,364           | 1               | \$7,860               |
|                            |                  |                   | Total Signs: 33 | Total Cost: \$175,368 |

Sign Fabrication and Installation Cost Estimates  
Phase 1B (No Gateway Signs)

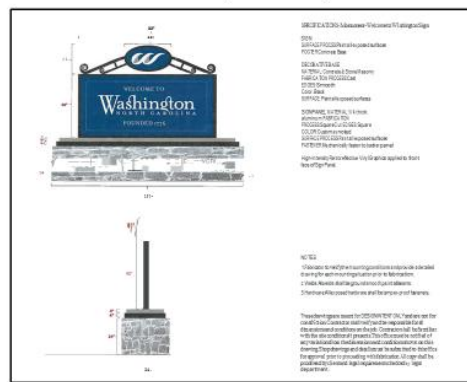
| Sign Type                  | Fabrication/Sign | Installation/Sign | Number of Signs | Total Costs           |
|----------------------------|------------------|-------------------|-----------------|-----------------------|
| Primary Gateway (PG)       | \$9,023          | \$1,364           | 0               | \$0                   |
| Secondary Gateway (SG)     | \$6,496          | \$1,364           | 0               | \$0                   |
| Secondary Destination (SD) | \$3,648          | \$1,364           | 10              | \$50,120              |
| Primary Destination (PD)   | \$3,648          | \$1,364           | 0               | \$0                   |
| Parking Sign (PK) (Pole)   | \$2,191          | \$1,364           | 7               | \$24,885              |
| Parking Sign (PK) (Post)   | \$2,434          | \$1,364           | 7               | \$26,586              |
| Destination Identity (DI)  | \$6,496          | \$1,364           | 0               | \$0                   |
|                            |                  |                   | Total Signs: 24 | Total Cost: \$101,591 |
|                            |                  |                   |                 | \$101,606             |



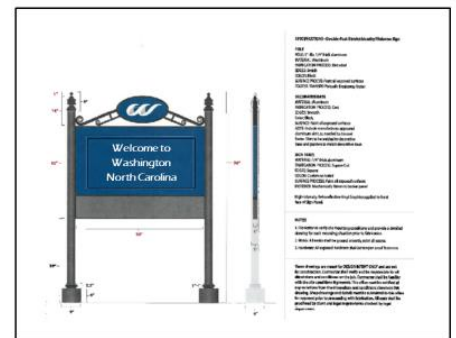
## Wayfinding Budget

|                                      |                     |
|--------------------------------------|---------------------|
| <u>2014-2015 Original Budget</u>     |                     |
| Planning and Design                  | \$50,000.00         |
| 2014-2015 Deep Fried Creative        | \$14,912.00         |
| 2015-2016 Deep Fried Creative        | <u>\$ 6,000.00</u>  |
| Total Spent                          | <b>\$20,912.50</b>  |
| Available Balance                    | <b>\$29,087.50</b>  |
| <br><u>2014-2015 Original Budget</u> |                     |
| Fabrication and Installation         | \$100,000.00        |
| 2014-2015                            | \$0.00              |
| 2015-2016                            | <u>\$0.00</u>       |
| Available Balance                    | <b>\$100,000.00</b> |
| <br>Total Project Available Funds    |                     |
|                                      | <b>\$129,087.50</b> |
| Phase 1B Project Cost                | <b>\$101,606.00</b> |
| Available Balance                    | <b>\$ 27,481.50</b> |

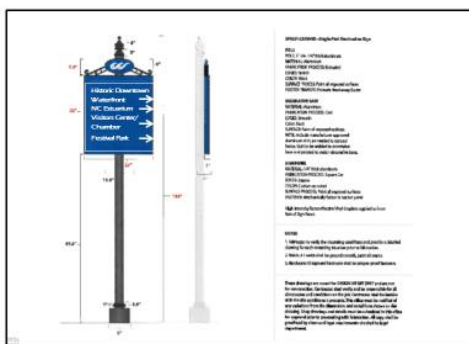
### Primary Gateway



### Secondary Gateway & Destination Identity



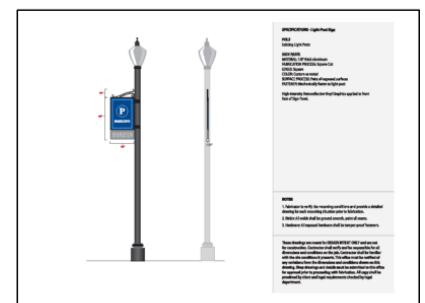
## Secondary Destination



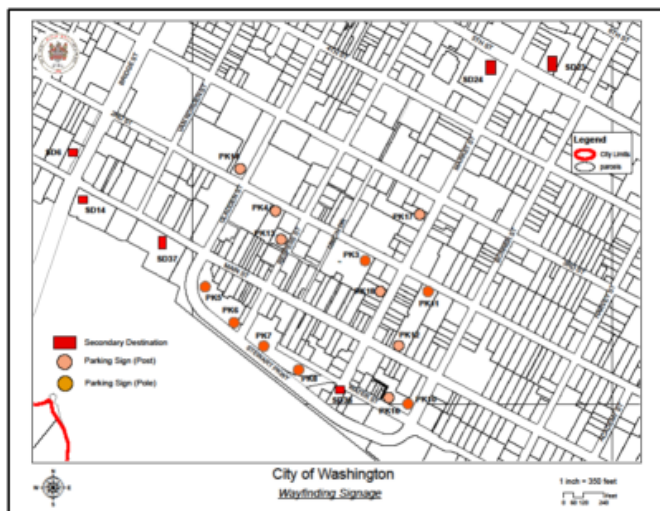
### Parking Sign (Post)



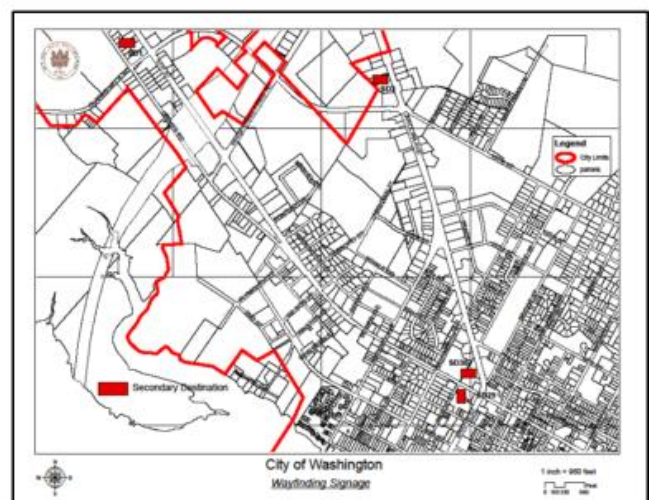
### Parking Sign (Pole)



## Wayfinding Signage



## Wayfinding Signage



Mayor Pro tem Mercer noted that funds for this project were not brought forward. Mr. Rauschenbach explained this project was categorized as a capital project – which spans over the life of the project for multiple years to avoid having project carry forwards.

John Rodman noted that primary gateway signs are not included in Phase I due to cost. Secondary gateway and destination signs are included in Phase I. Mayor Pro tem Mercer commented on the cost of the signs. Mayor Pro tem Mercer inquired if sign prices were received from any other company. Mr. Rodman noted we did not receive other prices on fabrication and installation. We used the company associated with Deep Fried Creative because they could give us the best prices. Mr. Rodman explained that these signs are located on NCDOT right-of-ways and therefore require different specifications. Prices are comparable to other municipalities.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council voted to table this item until February 2016 during budget discussions. All voted in favor of the motion.

**ACCEPT – PIER CONSTRUCTION PROPOSAL #1 (6' EXPANSION), PROPOSAL #2 (11' EXPANSION), OR PROPOSAL #4 (LEAVE IT IN ITS PRESENT CONFIGURATION)**

Background: In April 2014, the City of Washington received a Public Access Grant from the NC Division of Coastal Management in the amount of \$120,000 for the construction of a pier, platform and gazebo on the downtown waterfront along the promenade. The City contracted with Sawyer Marine Contractors in the amount of \$83,124 for the project. The original design of the pier was modified to accommodate safety concerns with the existing free docks. While the current pier is about 90% complete there has been some suggestions and proposals to expand the existing platform and relocate the gazebo. The suggested changes would be completed totally with private funds and no City or grant funds would be utilized. The proposals include:

- Proposal #1: The additional platform to the east would be 6' x 32' and add 192 sq. ft. at a cost of \$18,480.
- Proposal #2: The additional platform to the east would be 11' x 32' and add 352 sq. ft. at a cost of \$25,080
- Proposal #3: This proposal was not considered because of the costs included.
- Proposal #4: This proposal would leave the pier in its present configuration with no expansion and no additional cost.

To relocate the gazebo in its present state would be an additional \$15,500. The expansions are suggested with the thought being the additional footage would allow more people to use the pier and be able to accommodate special events. The Waterfront Docks Advisory Committee was unable to come to a consensus on which proposal would be best suited for the municipal pier thus a recommendation to City Council on a specific proposal will not be forthcoming.

Mayor Pro tem Mercer explained there has been extensive discussion regarding the pier project over the past few months. The City has spent \$135,000 on the pier and we are obligated to finish the project by November 30, 2015.

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council accepted proposal #4 to leave the pier in its current configuration with no expansion, no additional cost and to be completed by the project deadline of November 30, 2015. All voted in favor.

**RATIFY – DEED OF EASEMENT FOR THE NEW AGE PROPERTIES PROJECT**

Background: Staff is requesting ratification of a deed of easement for the New Age Properties project. This allows us to install, construct, maintain, inspect, etc., utilities within the easements shown in the attached deed of easement. The deed of easement was necessary for the installation of water and sewer infrastructure necessary for this project.

Mayor Pro tem Mercer inquired if the easement was along the dedicated street right-of-way. Mr. Roberson explained that the easement is identical to the proposed right-of-way.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council ratified the executed attached deed of easement for the New Age Properties.



EX-108  
FOR NOTIFICATION PURPOSES ONLY  
DATE: 10/12/15 12:41 PM  
SENT: 10/12/15 12:41 PM  
RECEIVED: 10/12/15 12:41 PM  
EX-108

STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT

THIS DEED OF EASEMENT is made and entered into this the 12th day of October, 2015, by NEW AGE PROPERTIES GROUP, LLC, a North Carolina Limited Liability Company, Grantor, whose address is 1935 West 5th Street, Washington, NC 27889 to the CITY OF WASHINGTON, a municipal corporation of the State of North Carolina, Grantee, whose address is Post Office Box 1988, Washington, NC 27889.

WITNESSETH

WHEREAS, Grantor owns a certain tract or parcel of land lying and being in Beaufort County, North Carolina.

WHEREAS, Grantee desires to install, construct, inspect, maintain, operate and otherwise keep open, up, and in good repair ditches, drainage pipe(s), drainage enhancing facilities or drainage infrastructure, utilities, utility lines and any other

NO TITLE EXAMINATION REQUIRED OR PERFORMED BY  
BOWMAN, HOLSCHE, PECK & HENNESSY, P.A.

utility enhancing facilities or utility infrastructure (hereinafter may be referred to collectively as "Utilities") on the hereinafter described portion of land owned by Grantor. As used hereinabove and herein, "utility" and "utilities" shall include but not be limited to electric, water, sewer, and drainage infrastructure.

WHEREAS, Grantor has agreed to allow Grantee to cut and or remove any and all trees, brush and other vegetation or any type of obstruction whatsoever that, in Grantee's sole discretion, are necessary in order to effectuate the installation, construction, inspection, maintenance, operation, repair and upkeep of the Utilities as described herein.

NOW, THEREFORE, subject to the terms, provisions, and conditions stated herein and agreed to by the parties hereto and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid and provided by Grantee, the receipt and legal sufficiency of which consideration is hereby acknowledged, and in further consideration of the benefits that Grantor may derive therefrom, Grantor has, upon the terms, provisions, and conditions hereinafter set forth, bargained and sold and by these presents does hereby bargain, sell and convey unto Grantee, its successors and or assigns, perpetual rights and an easement to cut and or remove at any time in the sole discretion of Grantee any and all trees, brush and other vegetation or any type of obstruction whatsoever located upon the hereinafter described portion of land owned by Grantor, together with rights of ingress, egress, and regress to Grantee to enter

and re-enter upon said land for the purpose of installing, constructing, inspecting, maintaining, operating and otherwise keeping open, up, and in good repair such Utilities as are necessary, in Grantee's sole discretion, to be located on said portion of land owned by Grantor. Grantor expressly acknowledges that Grantee's right to remove any type of obstruction whatsoever from the area of the easement includes but is not limited to the right of Grantee to remove anything placed, constructed or located upon the easement regardless of whether a permit or other approval was issued or granted by Grantee for the same. Grantor expressly acknowledges that no payment, claim or damages shall be due to, or made by, Grantor on account of Grantee's exercise and use of said perpetual rights and easement. By way of illustration but not limitation, Grantor expressly acknowledges that Grantee shall have no obligation to pay for, replace, or relocate anything removed by Grantee from the area of the easement herein described. Said land over which said perpetual rights and easement and said rights of ingress, egress, and regress are granted is located in the City of Washington, Beaufort County, North Carolina, and is more particularly described on that certain survey entitled "Water and Sewer Easements New Age Properties Group, LLC" by Wood Richardson, P.A. dated October 12, 2015 as "20' Sewer Easement" as well as "20' Water Line Easement", which survey is attached hereto as Exhibit "A" and incorporated herein for a more complete and adequate description of said easements.

TO HAVE AND TO HOLD the aforesaid perpetual rights and easement to wit said Grantee, its successors and or assigns, in

title forever; it being the intention of the parties hereto that said rights and easement be perpetual for Grantee, its successors and or assigns.

Grantor covenants with Grantee that Grantor is seized of the land upon which said easements are located in fee and has the right to grant the aforesaid perpetual rights and easement; that said perpetual rights and easement will be free of all liens and encumbrances and that Grantor will warrant the title hereby conveyed against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, NEW AGE PROPERTIES GROUP, LLC, has caused this instrument to be executed by its Member Manager, who is duly authorized to execute the same, this the day and year first above written.

NEW AGE PROPERTIES GROUP, LLC, a North Carolina Limited Liability Company

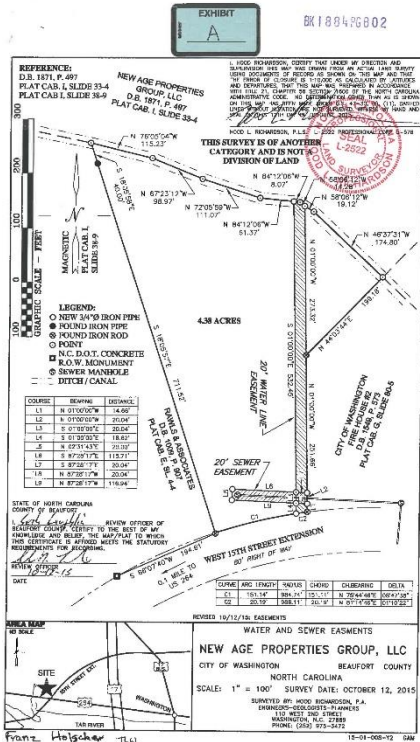
BY: *Manfred D. Alligood, Jr.* (Seal)  
Manfred D. Alligood, Jr.,  
Member Manager

STATE OF North Carolina  
COUNTY OF Beaufort

Before me, the undersigned Notary Public in and for the State and County aforesaid, this day personally appeared Manfred D. Alligood, Jr., who being by me duly sworn says that he is Member Manager of NEW AGE PROPERTIES GROUP, LLC, a North Carolina Limited Liability Company and that he executed the foregoing instrument for the purposes therein expressed.

WITNESS my hand and Notarial Seal, this the 12th day of October, 2015.

My Commission expires: June 15, 2018



NEW BUSINESS:

AMEND – CHAPTER 22, SECTION 65(C) - SUSIEGRAY MCCONNELL SPORTS COMPLEX

Background: Over the last several weeks, what appears to be a semi-organized adult soccer league has been using the soccer fields at the Susiegray McConnell Sports Complex. They used 3 fields after excessive rain and ruined the field. This matter was discussed with the Recreation Advisory Committee and they recommended that the City proceed with the signage on the property to prohibit non-programmable sports that are not rented/reserved with the City Parks and Recreation Department. They also suggested making signs in English and Spanish prohibiting such use.

Interim City Manager, Bobby Roberson reviewed a letter from Brent Glover who is speaking in opposition to the request as presented.

November 9, 2015

Washington Mayor Mac Hodges  
Washington Parks and Recreation Kristi Hardison  
Washington Public Works Director Allen Lewis

RE: "Protecting Facilities"

I hope this letter finds each of you well and it is my desire that you take the time to read it and consider a modification to your proposed action noted in the article published November 9<sup>th</sup> regarding "unauthorized" use of the soccer fields at the Susie Gray McConnell Complex.

I am a local tax payer, financial executive, parent, and coach who values the recreational opportunities that the complex offers to all ages. I also am part of a group who gathers on occasion to play a very "unorganized" game of pickup soccer. Important to note, the "unorganized" time that we spend together brings together folks of all demographics, ages, and professions. The field conditions are important, as evidenced by the recent closures of the field for the upcoming EAC All-star Tournament, and should be protected.

That being said, a proposal that does not simply "close" the complex to gatherings unless they are done by permit or reservation should be considered. I would ask that the city use the tools already in place (i.e. gates) to indicate times when the city wishes to close the fields. Gates with signage indicating "Fields Closed" could accomplish the goal of protecting the field in times of inclement weather, while not restricting complete use of the facilities with a layer of bureaucracy. If the reason that the gates are never locked is that access to the aquatic center needs to be preserved, then I would like to ask that the city invest a small amount of money (and effort) into signage that can be placed on each field to temporarily mark the field as closed. In periods of rain or field recovery city staff could place signs there to alert citizens that the fields are closed.

As it stands today, the only way that citizens know that it is the city's desire to close the fields are to read about it in the paper post-mortem, or to be an Optimist Coach who is monitoring Facebook to see if Optimist relays a message from the city indicating that the fields are closed. Any other time, the gates are open and the city is relying on the public to simply assume that they city would like the fields to be closed at that point in time.

Would the State of NC write speeding tickets in a work zone if they did not have signage up indicating such? Or would they simply close the road because they did a poor job of with communicating their wishes? They choose to advise the driving public and in most cases the outcome is mutually beneficial.

It is my desire that the city explore a better way to communicate, while preserving recreational opportunities that are afforded to the citizens of Washington. A mutually beneficial outcome can be attained by finding a solution that is somewhere in the middle, and then if the "unauthorized" use continues, at that point it will be justified in completely restricting usage in the manner that you are originally proposing.

To go there immediately due to poor communication from the city and some poor judgment from some player groups is a far reaching reaction that does not seek a true solution.

Mayor Pro tem Mercer inquired if the Recreation Advisory Committee recommend this change and Kristi Roberson noted they did. Councilman Pitt suggested continuing this request to allow better communication with the citizens that are using the fields inappropriately. Mr. Roberson explained that we are not opposed to people playing on the fields, but we are opposed to the fields being torn up. Councilman Brooks noted that people are using the fields without permission.

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adopted an ordinance to amend Chapter 22, Section 65(c), Susiegray McConnell Sports Complex, in reference to unauthorized practices or games, as outlined in the attached ordinance, with an effective date of December 1, 2015. Motion carried 3-1 with Councilman Pitt opposing.

**AN ORDINANCE TO AMEND CHAPTER 22, ARTICLE III,  
SECTION 22-65(c): SUSIEGRAY McCONNELL SPORTS COMPLEX,  
OF THE WASHINGTON CITY CODE**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That Chapter 22 Section 22-65( c) - Susiegray McConnell Sports Complex, be amended to remove the following:

Individual practices are not allowed on any athletic fields unless pre-approved by the Director of Parks and Recreation or designee.

Section 2. That Chapter 22 Section 22-65(c) - Susiegray McConnell Sports Complex, be amended to add the following:

Individual practices or games are not allowed on any athletic fields unless preapproved by the Director of Parks and Recreation or designee.

Section 3. All ordinances in conflict with this ordinance are hereby repealed.

Section 4. This ordinance shall become effective December 1, 2015.

This the 9th day of November 2015.

ATTEST:  
s/Cynthia S. Bennett  
City Clerk

s/Jay MacDonald Hodges  
Mayor

**AUTHORIZE/APPROVE – CHANGE ORDER NUMBER 1 FOR EDA WATER AND SEWER IMPROVEMENTS PROJECT, AND APPROVE THE CORRESPONDING PURCHASE ORDER AND APPROVE THE BUDGET ORDINANCE AMENDMENT**

Background: Shortly before the above referenced project started, we started having problems in the chemical injection vault at the Washington Regional Water Treatment Plant (WTP) due to corrosion. As a result, we have made a few unsuccessful attempts to correct the problem within our existing maintenance operations and budget. Unfortunately, due to the corrosive nature of the hydrofluoridic acid being fed into the system, we are at the point that we need to replace a portion of pipe in the vault. As such, we asked Hatchell Concrete, Inc., to provide us a quote since they are already onsite. The price they provided (\$18,716.23) and the amount of additional days (16) to do the work appear to be appropriate. The difference in the amount provided and the purchase amount is based on a deduct in the project. Also, due to the amount of rainfall experienced since they began work on the project, they also asked for additional time for the project. They originally asked for 15 days but we only approved 10 based on historical precipitation obtained from the State Climate Office for the Washington wastewater treatment plant and rainfall data collected from the Washington water treatment plant since construction began on this project. The addition of this total of 26 days to this contract pushes the completion schedule to December 16, 2015, per contract documents.

Mayor Pro tem Mercer asked if moving the injection point would solve the problem. Frankie Buck and Allen Lewis explained that the injection point is not the problem, materials are the problem and we are changing materials to PVC.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council authorized staff to accept Change Order Number 1 for the EDA Water and Sewer Improvements Project and approve the corresponding purchase order and project budget amendment.

**AN ORDINANCE TO AMEND THE GRANT PROJECT ORDINANCES FOR THE EDA WATER PROJECT  
CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

**BE IT ORDAINED by the City Council of the City of Washington, North Carolina:**

Section 1. That the following accounts in the EDA Water Project grant be increased or decreased by the following amounts to reflect Change Order 1 for the EDA Water and Sewer Improvements Project:

|                 |                                |                 |
|-----------------|--------------------------------|-----------------|
| 76-90-8221-4505 | Construction - Liquid Chlorine | 18,214          |
| 76-90-8221-9900 | Contingency - Water Line       | <u>(18,214)</u> |
|                 | Total                          | 0               |

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of November, 2015.

ATTEST:  
s/Cynthia S. Bennett  
City Clerk

s/Jay MacDonald Hodges  
Mayor

**ACCEPT – RECOMMENDATION OF THE WASHINGTON PLANNING BOARD AND FIX THE DATE OF A PUBLIC HEARING FOR THE TEMPORARY MORATORIUM ON THE CONVERSION OF SINGLE FAMILY HOMES TO MULTI-FAMILY HOMES IN THE B1H ZONING DISTRICT**

John Rodman explained that the Planning Board discussed, during their October meeting, the possibility of a moratorium for conversion of single family homes to multi-family home in the Business

Historic District. A sub-committee was formed to discuss the possibility of a temporary moratorium on development on the conversions. During the meeting the Planning Board voted to recommend to City Council to fix a date of November 23<sup>rd</sup> for a public hearing on the moratorium – a suggested time period of at least 60 days will be requested for the moratorium. There are about 30 single family homes in the B1H district.

Councilman Beeman asked why the Planning Board is recommending a moratorium. Mr. Rodman noted the Planning Board needed time to study the zoning ordinance and determine if the ordinance needs to be modified to reflect the same requirements in the B1H as in the Residential Historic District.

Franz Holscher, City Attorney commented that he agrees staff needs to review the multi-family development section of the Zoning Ordinance for possible revisions. According to NCGS 160A-381(e) cities may adopt temporary moratoria on any city development approval required by law, except for the purpose of developing and adopting new or amended plans or ordinances as to residential uses. Mr. Holscher interprets that the statute prohibits the imposition of the moratorium. Mayor Pro tem Mercer noted that the Planning Board needs to review the Zoning Ordinance and make any necessary amendments.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council did not accept the recommendation as presented by the Planning Board regarding the temporary moratorium. Council asked the Planning Board to hasten their review of the language in question in the Zoning Ordinance and forward their recommended amendments to Council no later than February 1, 2016.

#### NCGS 160A-381(e)

*(e) As provided in this subsection, cities may adopt temporary moratoria on any city development approval required by law, except for the purpose of developing and adopting new or amended plans or ordinances as to residential uses. The duration of any moratorium shall be reasonable in light of the specific conditions that warrant imposition of the moratorium and may not exceed the period of time necessary to correct, modify, or resolve such conditions. Except in cases of imminent and substantial threat to public health or safety, before adopting an ordinance imposing a development moratorium with a duration of 60 days or any shorter period, the governing board shall hold a public hearing and shall publish a notice of the hearing in a newspaper having general circulation in the area not less than seven days before the date set for the hearing. A development moratorium with a duration of 61 days or longer, and any extension of a moratorium so that the total duration is 61 days or longer, is subject to the notice and hearing requirements of G.S. 160A-364. Absent an imminent threat to public health or safety, a development moratorium adopted pursuant to this section shall not apply to any project for which a valid building permit issued pursuant to G.S. 160A-417 is outstanding, to any project for which a conditional use permit application or special use permit application has been accepted, to development set forth in a site-specific or phased development plan approved pursuant to G.S. 160A-385.1, to development for which substantial expenditures have already been made in good faith reliance on a prior valid administrative or quasi-judicial permit or approval, or to preliminary or final subdivision plats that have been accepted for review by the city prior to the call for public hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the city prior to the call for public hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium.*

*Any ordinance establishing a development moratorium must expressly include at the time of adoption each of the following:*

- (1) A clear statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the city and why those alternative courses of action were not deemed adequate.*
- (2) A clear statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium.*
- (3) An express date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.*
- (4) A clear statement of the actions, and the schedule for those actions, proposed to be taken by the city during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.*

*No moratorium may be subsequently renewed or extended for any additional period unless the city shall have taken all reasonable and feasible steps proposed to be taken by the city in its ordinance establishing the moratorium to address the problems or conditions leading to imposition of the moratorium and unless new facts and conditions warrant an extension. Any ordinance renewing or extending a development moratorium must expressly include, at the time of adoption, the findings set forth in subdivisions (1) through (4) of this subsection, including what new facts or conditions warrant the extension.*

*Any person aggrieved by the imposition of a moratorium on development approvals required by law may apply to the appropriate division of the General Court of Justice for an order enjoining the enforcement of the moratorium, and the court shall have jurisdiction to issue that order. Actions brought pursuant to this section shall be set down for immediate hearing, and subsequent proceedings in those actions shall be accorded priority by the trial and appellate courts. In any such action, the city shall have the burden of showing compliance with the procedural requirements of this subsection.*

#### **ANY OTHER BUSINESS FROM CITY MANAGER:** **DISCUSSION – SCHEDULE FOR NOVEMBER AND DECEMBER**

Councilmembers discussed the meeting schedule for November and December. By consensus, Council agreed to meet on November 23<sup>rd</sup> and December 14<sup>th</sup>, but not December 28<sup>th</sup>.

**RE-PAYMENT PLAN - WHA**

Bobby Roberson discussed the re-payment plan previously submitted by Jeannie Neal, Interim Executive Director, Washington Housing Authority. The City of Washington remitted \$55,716 to the Department of Commerce on October 27, 2015 for the non-performance of three homes for a 2009 Community Development Block Grant-Housing Development (Northgate Project). \$36,000 of property release deposits held in trust from the Washington Housing Authority/Washington Housing Nonprofit, Inc. partially funded the reimbursement and the remaining \$19,716 has been billed to those entities. The plan breaks up the \$19,716 into 8 payments.

By motion of Councilman Beeman, seconded by Mayor Pro tem Mercer, Council agreed to the re-payment schedule presented by Jeannie Neal, Washington Housing Authority.

**WASHINGTON/PKF MARKET PLAN**

The Interim City Manager reviewed information from Jordan Jones (School of Government's Development Finance Initiative) regarding a Phase I market study regarding the feasibility of a hotel being built downtown. The study will be performed by PKF Consulting on the former Belk building and Hotel Louise. The study will show if the proposed project has an opportunity to succeed.

Mayor Pro tem Mercer explained that he couldn't justify spending \$4,000 on another study that will most likely not provide any new information. Mayor Hodges explained this study is different, as it will be a document that potential developers could take to the bank in order to seek financing for the project. Other studies did not provide that tool. Opportunity for a potential grant from ElectriCities to fund the study was discussed. Councilmembers discussed the history of the project as well as the allocated funding. Council would need to amend the scope of the project to include the funding for the feasibility study. Historic Tax Credits would provide a substantial amount of funds to rehab the structures. Jordan Jones said PKF plans to make a presentation to Council on November 23<sup>rd</sup> regarding the feasibility study.

A motion was made by Councilman Beeman and seconded by Councilman Brooks to allocate \$4,000 to PKF Consulting for the purpose of a Phase I market study. Voting for the motion: Beeman and Brooks; Against: Mercer and Pitt. With that vote a tie resulted and Mayor Hodges voted for the motion. Motion carried 3-2.

Councilman Brooks inquired if the study shows that a hotel doesn't work, are we going to continue to spend money on this project? How much have we spent so far? Matt Rauschenbach reviewed that \$85,500 is allocated and to date we have spent/incurred \$69,000 plus the \$4,000 approved tonight (possible grant). Mayor Pro tem Mercer asked if RSI had spent any time on this project and Mr. Roberson stated they have. Mr. Rauschenbach reviewed the revenue structure for this project. Discussion was also held regarding the restriction on funding from the Committee of 100 (\$25,000 if jobs are created).

**DISCUSSION – RESIDENCY REQUIREMENT EXCEPTION – PUBLIC WORKS DIRECTOR**

By motion of Councilman Beeman, seconded by Mayor Pro tem Mercer, Council moved to make an exception to the residency requirements of Section 24-22 of the City Code for appointment of Frankie Buck to the position of Director of Public Works. Mr. Buck possess the requisite knowledge of the positions scope of responsibility and existing City conditions by virtue of his previous experience with the City.

**ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL:**  
**INVITATION – FUNDRAISER**

Councilmembers were invited to attend a coffee fundraising event hosted by Pat Brown on November 12, 2015 at 4:00pm at the Grace Martin Harwell Senior Center.

**CONGRATULATIONS**

Councilman Pitt congratulated Virginia Finnerty on the recent election.



**CLOSED SESSION:**

**UNDER NCGS § 143-318.11(A)(3) ATTORNEY/CLIENT PRIVILEGE, 143-318.11(A)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION, 143-318.10(E) THE PUBLIC RECORDS ACT, AND 143-318.(A)(6) PERSONNEL**

By motion of Councilman Pitt, seconded by Mayor Pro tem Mercer, Council entered closed session under NCGS § 143-318.11(a)(3) Attorney/Client Privilege, 143-318.11(a)(1) disclosure of confidential information, 143-318.10(e) the public records act, and 143-318.(a)(6) personnel at 7:15 pm.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council agreed to come out of closed session at 8:12 pm.

**ADJOURN:**

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adjourned the meeting at 8:15pm until Monday, November 23, 2015 at 5:30 pm, in the Council Chambers.

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**Cynthia S. Bennett, MMC**  
**City Clerk**